

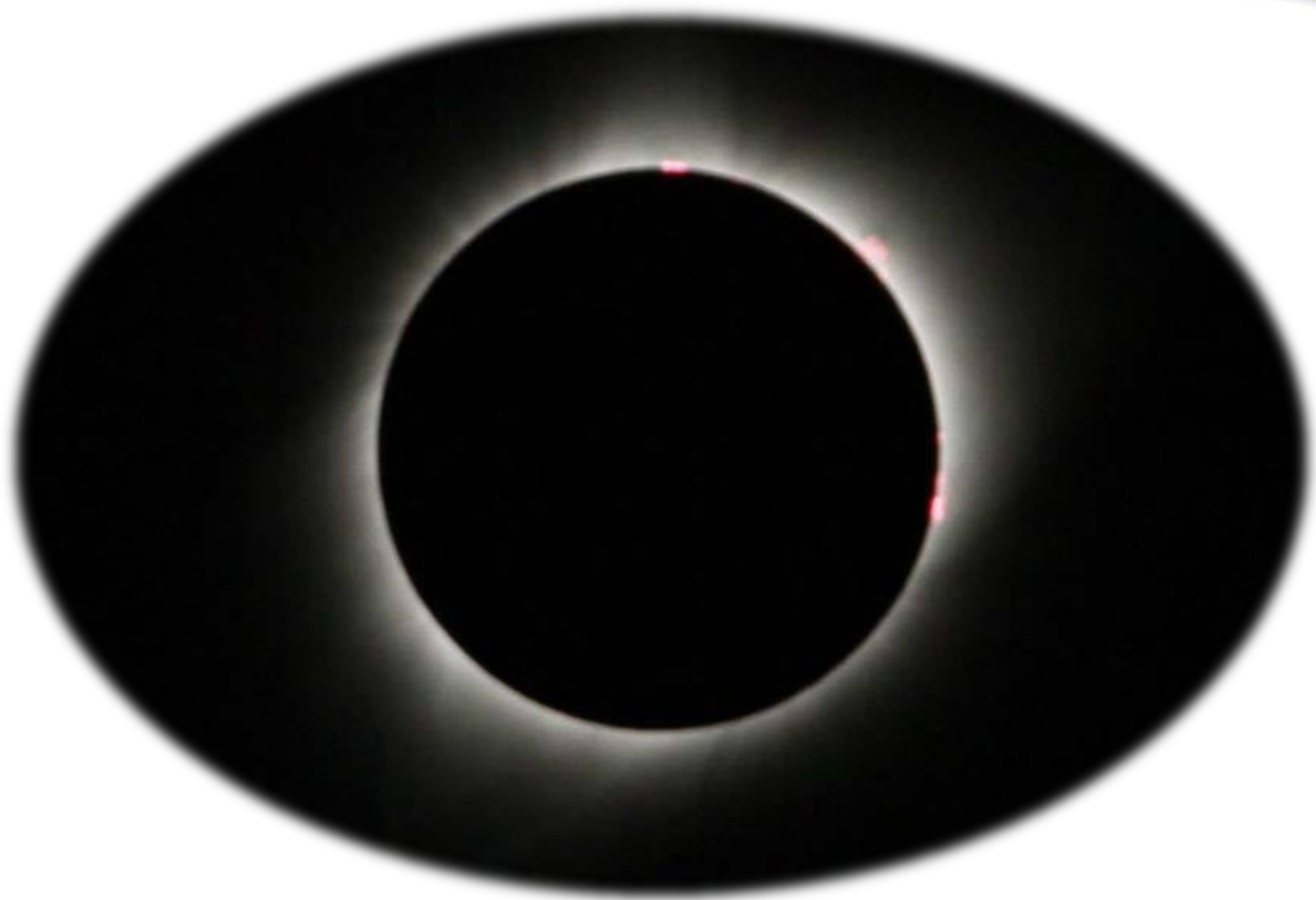
Powerful partnerships amid changing times

Mid-West Electric Consumers Association

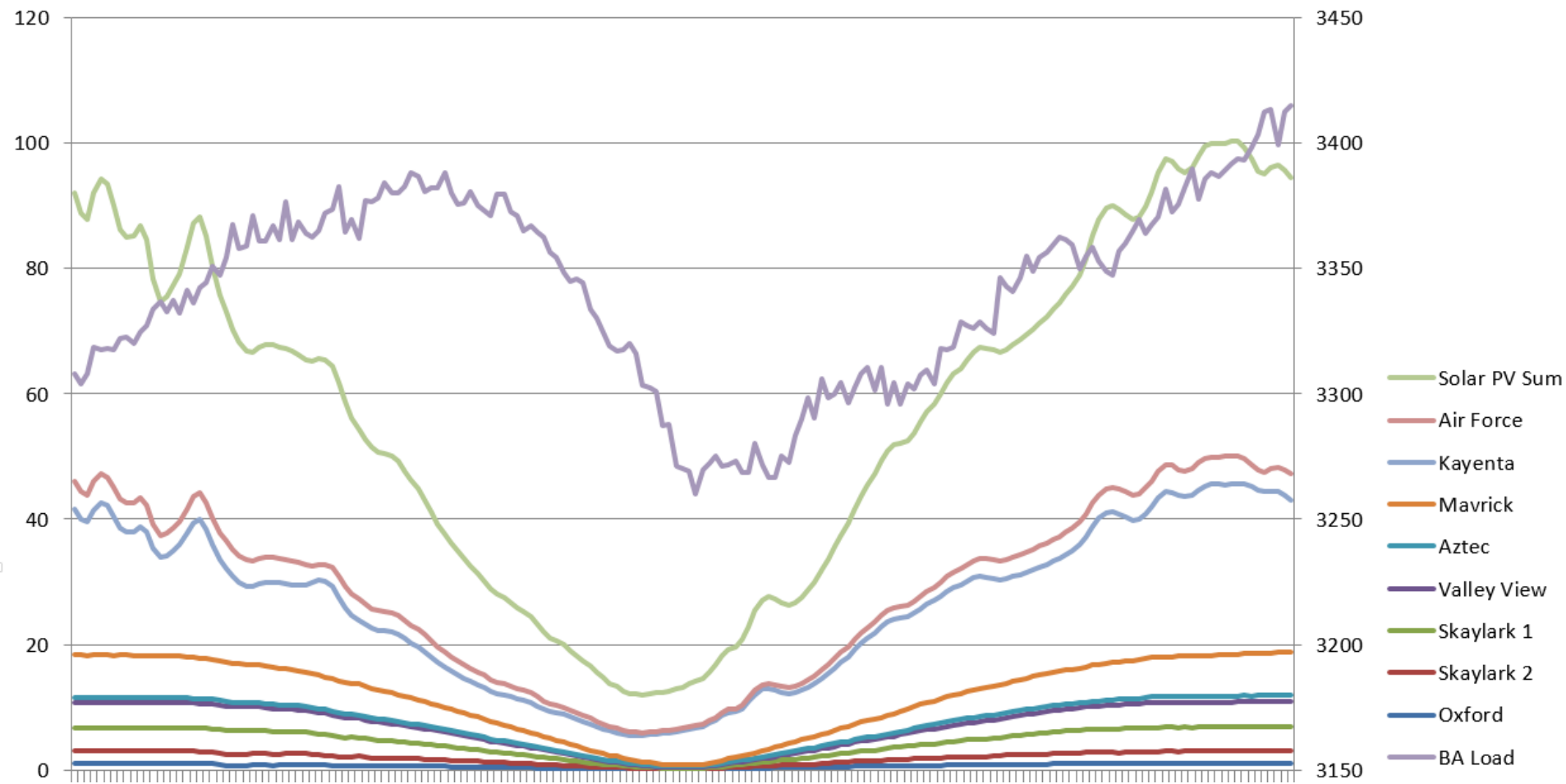
Aug. 30, 2017 | Denver, CO

Mark A. Gabriel
Administrator and CEO





Eclipse operations



New administration

- Dan Brouillette confirmed as Deputy Secretary
- Political appointee vacancies
- Alexa Turner is new PMA liaison
- WLO activity
- Relationship with Congress



Purchase Power and Wheeling

- Re: Change in Congressional Budget Office scoring, WAPA's strategy to cover:
 1. Unobligated balances
 2. Emergency fund
 3. Mid-year PPW budget authority increase request
- FY 2017 proposed PPW unobligated balance increase
 - \$50-80 million increase to PPW authority (contingent on customer sign off)

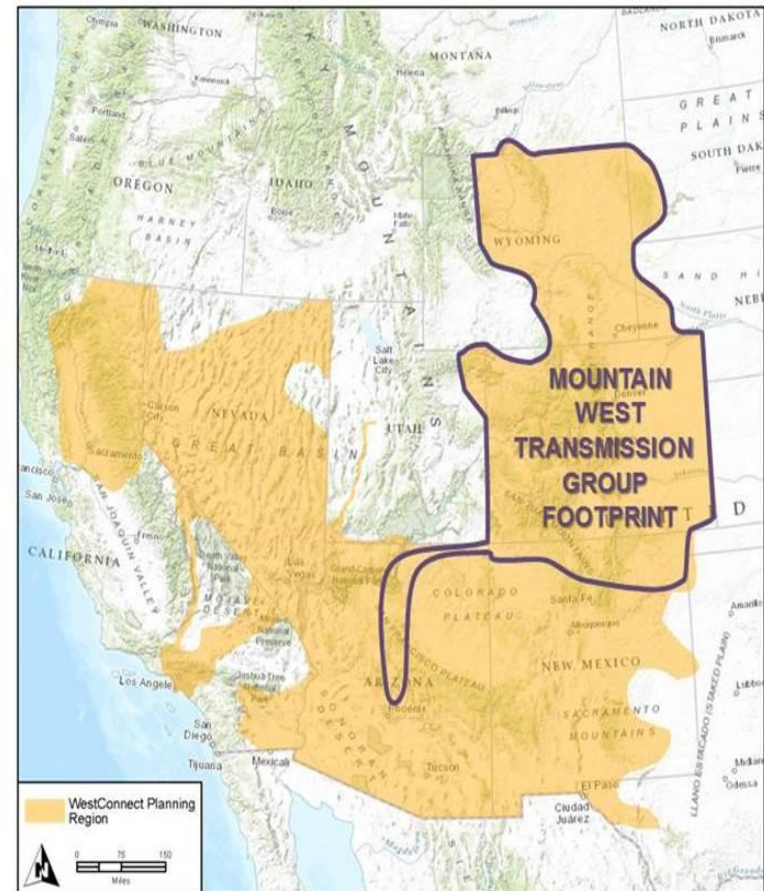
Key initiatives

- Organizational Approach to Markets
- Assessment Team
- Transparency activities
- Continuous Process Improvement
- New hires



Mountain West

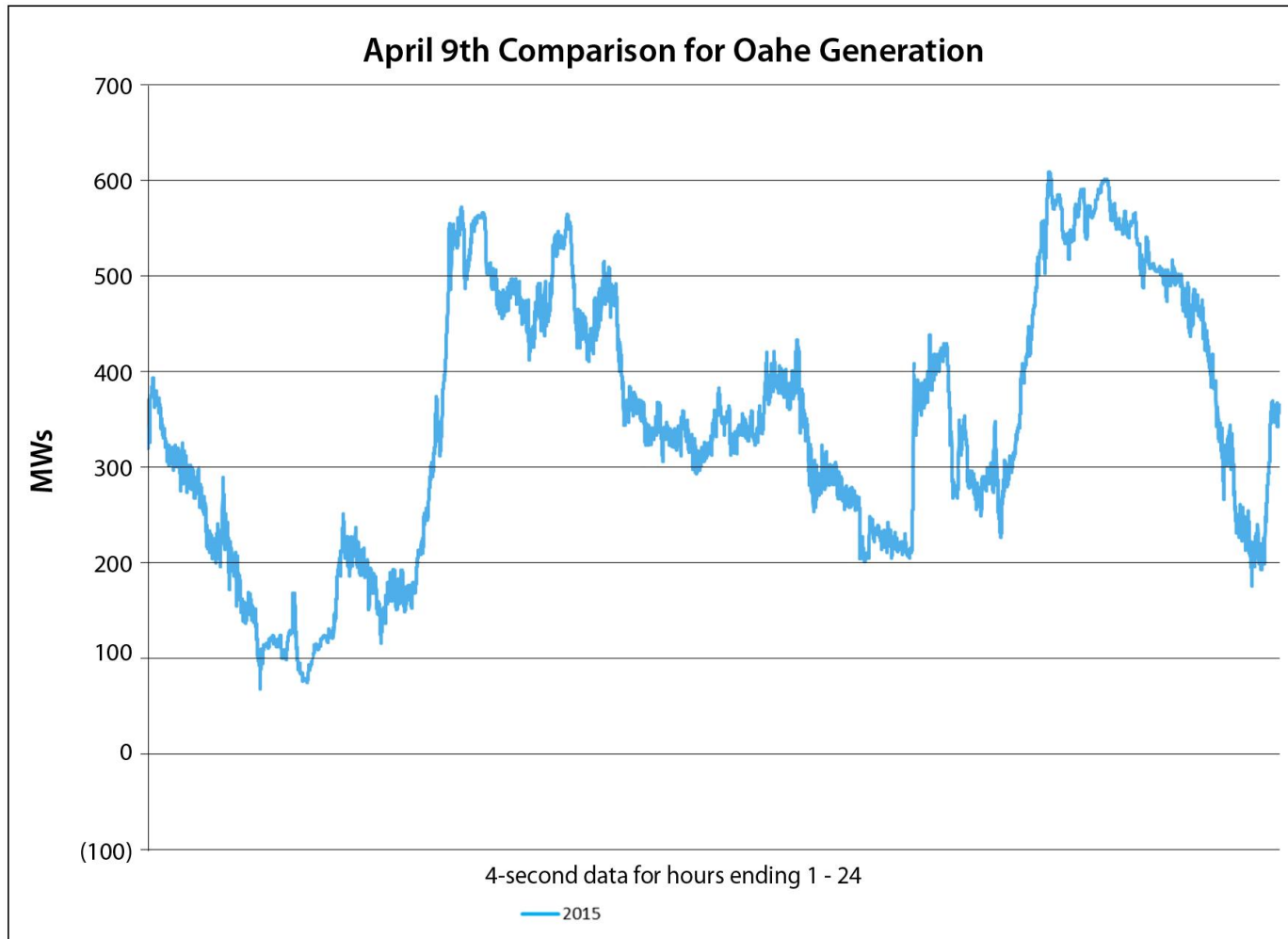
- Announced decision to pursue talks with SPP
- Preliminary agreement on zonal decisions
- More decisions to make
- Committed to customer engagement
- If yes, market implementation 2019



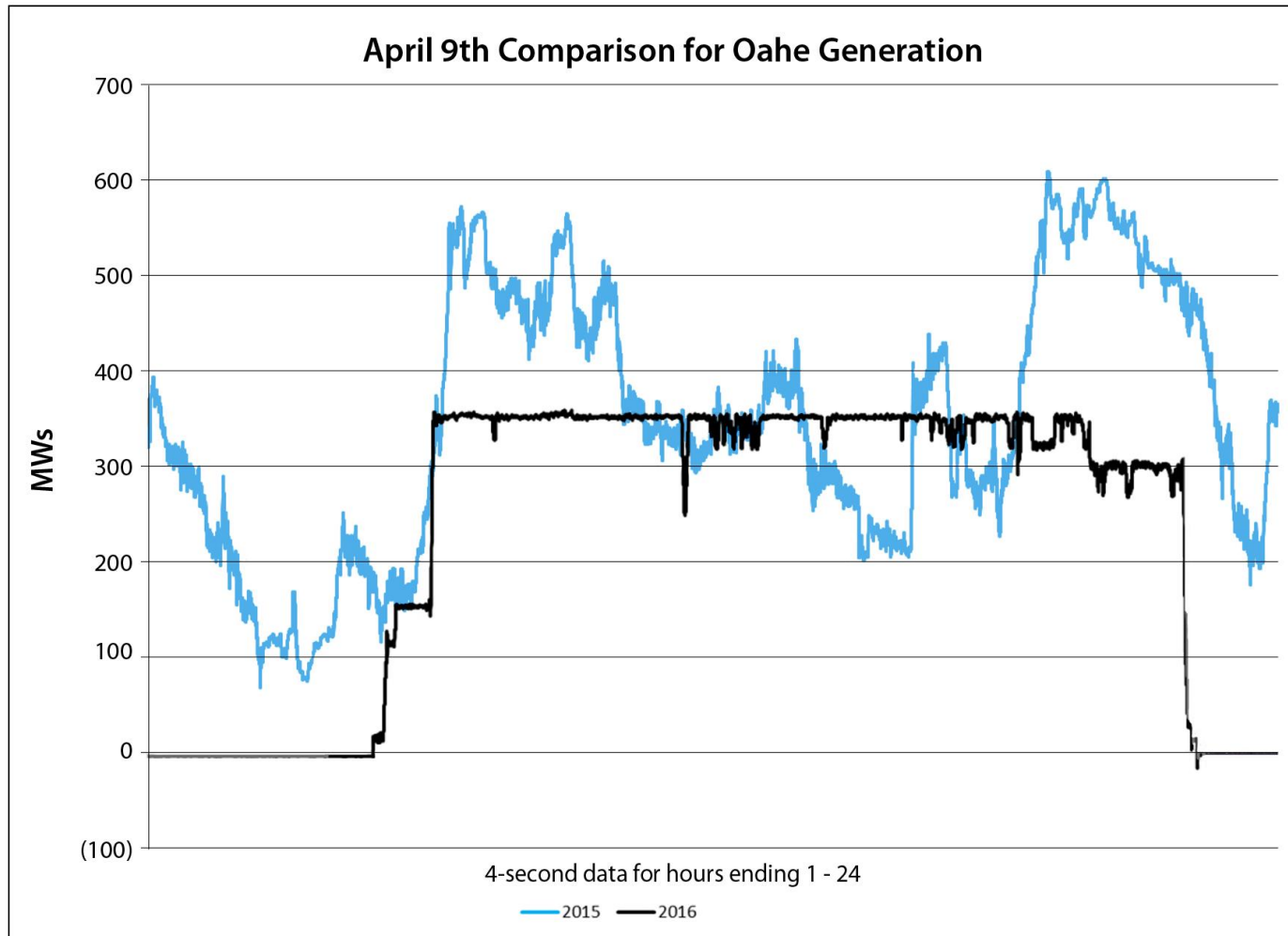
Change is upon us



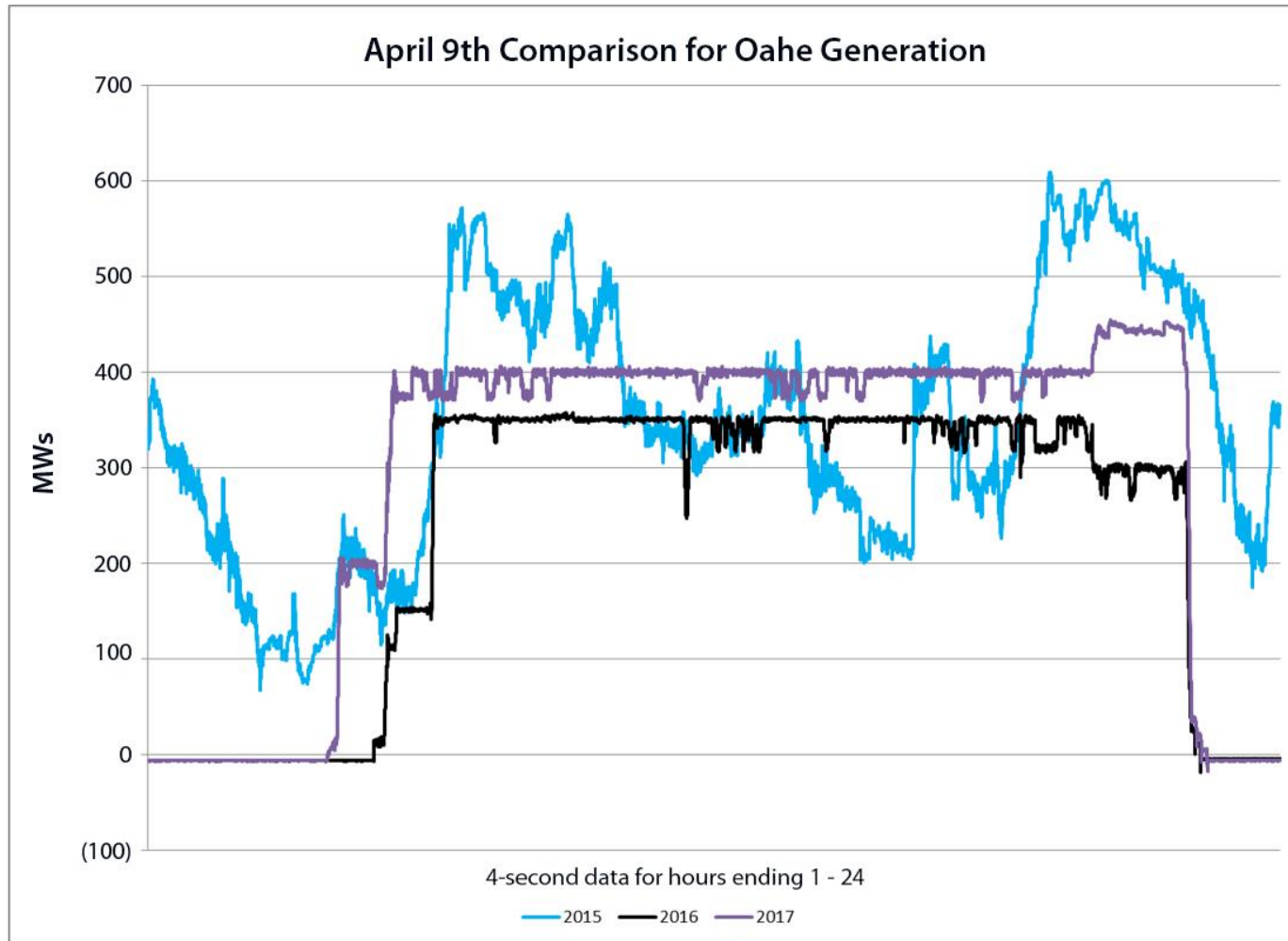
Oahe generation



Oahe generation



Oahe generation



Power Repayment Study

- Contract awarded April 2017
- Design and planning complete
- Customers to be engaged end of CY 2017
- Currently in buildout through January 2018
- Go live April 2018



Internal audit update

- Continue to perform and complete audits (63 listed)
- Providing internal controls training across WAPA
- Developed comprehensive approach for monitoring GPC transactions
- Closed out 41 audit recommendations

| Audit No. | Audit Title | Status | Completion Date |
|-----------|----------------------------------|-----------|-----------------|
| 1 | Annual Financial Statement Audit | Completed | 12/31/2017 |
| 2 | Annual Financial Statement Audit | Completed | 12/31/2017 |
| 3 | Annual Financial Statement Audit | Completed | 12/31/2017 |
| 4 | Annual Financial Statement Audit | Completed | 12/31/2017 |
| 5 | Annual Financial Statement Audit | Completed | 12/31/2017 |
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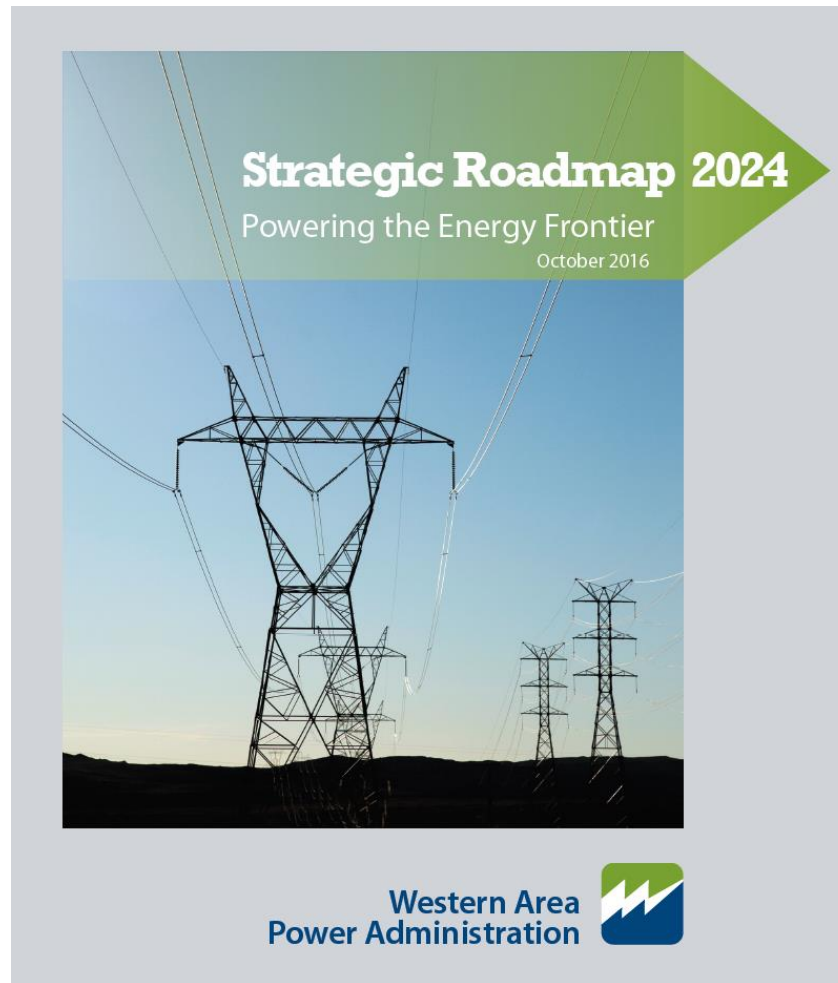
WAPA and Pick-Sloan



What do you think?



Change is all around



Shift in strategic thinking

- Broader perspective
- Data-driven decisions
- Industry impacts to customers



What that looks like

- 10-year planning horizon
- Cybersecurity
- Lifecycle considerations
- Physical security
- Asset Management



Key takeaways

*Focus on value and business excellence.
Cultivate powerful partnerships.
Continue delivering on mission.*



Contact/follow me

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